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THE
M E A S U R E S
TO BE PURSUED IN
I N D I A,
FOR

*East India
Company*

Ensuring the PERMANENCY, and
augmenting the COMMERCE, of
the COMPANY,

FARTHER CONSIDERED;

With the HEADS of a PLAN

For carrying those Measures into Execution.

By the Author of Observations on the Present State
of the East India Company, &c.

L O N D O N,

Printed for J. NOURSE, Bookseller to His MAJESTY.

MDCCLXXII.

MEASURES

TO BE PURSUED IN

INDIA

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MDCCLXXIII.

CONTINUATION

OF THE

MEASURES to be pursued in INDIA.

I HAVE, in a former pamphlet, endeavoured to give the public some idea of the general system of government in the East Indies, the wealth it abounds with, and the distracted state of that part of the empire we are become masters of. I have likewise pointed out the absurdity of any attempt the Company may make, to preside as sovereigns over the civil, the military, the commercial, and the political, in short the whole of their affairs in that part of the world, involved as they are in difficulties and intricacies by a long series of mistakes; and I have shewn the necessity of some immediate and essential alterations in their system, to make their existence worth preserving much longer. I shall now submit to the further opinion of my countrymen, some General Heads of a Plan, cal-

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culated to produce order and good government in India, without which no great nor any lasting benefit can arise to this kingdom; premising first a few considerations, and stating and explaining certain local customs and general facts necessary to be previously known.

The great distance our possessions in the East Indies lay from home, the wretched mode of government which prevails throughout our dominions there, and the want of power in the Company to punish those servants who are guilty of misconduct, are the principal impediments which prevent this nation from acquiring those very great advantages that the rich and fertile countries of Bengal and the Carnatic might yield us.

Whether or no such a system can ever be formed, as shall, at so great a distance, produce any lasting benefit to this kingdom, time and experience only can determine. The prospect of success, however, would incline me to wish for the trial; even though the near approach of ruin to the Company, did not make it absolutely necessary. But at the present dangerous crisis, parliament, in my opinion, ought to enter seriously upon this great national concern, and to establish some wise regulations; for if the affairs remain longer in
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their present unsettled state, the Company will in a very few years be irrevocably undone.

The same general system of government prevails throughout the whole extent of the empire; whether under the Gentoo Rajahs, or the Subahdas of the Moors. The alterations the Moguls made in the government at different times, instead of amending this system, have only made it worse; for they have exercised every where such rapacity, and extortion, as have greatly increased the misery of the inhabitants. The power of despotism is ever supported by cruelty and fear, the continual exercise of the first inflates the mind with brutal pride and insolence, the other subjects it to the most abject slavery.

The occupiers of the lands among the Hindoos were originally fixed in the possession of them, on principles of equity; they might have enjoyed affluence and amassed wealth, but the simplicity of the earlier ages did not lay sufficient restraints upon the hand of power to secure them from future oppression.

The Moors have left the occupier no more of his original right than the name; for though the right of tillage, and the power of alienating his land, remains with him; yet, being constantly stript of the

produce by farmers and collectors of the crown, he is in reality reduced to the state of the labourer who works for his daily sustenance.

These farmers of the revenue have gradually encreased in their extortion, from very natural and obvious causes, which will unavoidably arise in arbitrary governments; hence the occupier having no more than a bare subsistence from his lands, has no inducement to till them with industry and spirit; and the right he possesses, is become a burthen, subjecting him to punishments, and oppressions; from which, as a labourer, he would be exempt.

The prince, by conferring on his Zemindars both the collective and judicial power, has in every province raised up a number of petty tyrants; who were to be held within bounds, by that power only, which could instantly destroy them.

This most powerful, and indeed the only effectual controul, Lord Clive unfortunately removed, when he took the Duannee for the Company; because, by abolishing the authority of the Suba, and substituting no proper check in its place, he left the government of the country with greater imperfections than he found in it. His want of higher authority, ill health, and the confusion which prevailed in the settlement, at
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the time his Lordship was last in India, might possibly prevent him from fixing the government under better regulations; for I am of opinion, no man was more equal to the task.

The kingdom of Bengal is the part of India we are at present most interested in, it is that from which our advantages chiefly derive, but from the confusion it is thrown into, by our errors and misconduct, is likely to involve the Company in ruin.

I shall, therefore, in order to propose a remedy, endeavour to point out the causes of the decline of the revenue in those provinces; and of that general distress which is yearly encreasing.

It is not the present intention to enter into a minute detail of the various officers belonging to the Indian government; I shall confine myself principally to the Zemindars, on whose conduct much of the welfare and prosperity of the country depends, and whose ill-regulated power is perhaps the principal cause of the deficiency of those revenues, which are now become the property of the Company.

To understand this, it is necessary to know from what sources the princes revenues arise; one of them is the proportion he claims of all the produce of the earth, and of whatever is nourished by it. This
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he collects from all lands, those only excepted which are appropriated to the church, the poor, to jaghires, or any particular donation; another is, all the profits which arise from the administration of justice; and, unfortunately for the inhabitants of the country, very great profits arise from fines, and amerciaments, levied on delinquents in the Cutcherees, or courts of judicature. The prince also claims all confiscations, buried treasures, and mines, where-ever found; and these are reserved in the grants of lands, and are called the royalties. The prince likewise collects duties on every branch of inland trade, and on goods brought from different provinces of his own country, and also on the goods brought from foreign countries, those exports and imports exempted by the Company's Firmaund, only excepted. A ground-rent is collected on all lands appropriated for building houses, and for markets; and every thing vendible can only be sold at wholesale markets, or at the retail shops licensed for those purposes. New vessels and boats pay a tax; fees likewise arise from marriages, and on bonds, and for the privilege of exercising trades, &c. in short, there is nothing exempted from some tax, or tribute: all these different branches fall under the management of Zemindars, who
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are both judicial and revenue officers ; they consist of various ranks ; the smallest village, with its district, having a head or Zemindar, who is responsible to others above him ; and all of them to the chief Zemindar of the province, who, in like manner, is answerable to the Duan, or treasurer ; and all of them separately to the prince or state.

These Zemindars are paid by certain fees collected from the parties whose causes are brought into their Cutcherees, or courts, and which they determine in their judicial capacity ; they likewise receive a per-centage on the rents they collect : almost all the different parts of the revenue are set by them to farm for the share due to the state ; and the best lots are very frequently rented by the Zemindars, under whose direction they ought to be fairly put up to public sale. This is effected by some of their dependants, who mix with the bidders, and being generally known, no one dare bid against them, by which means they are struck down to them at a price inferior to their real value.

The Zemindars, and other officers *, plundering and oppressing without mercy,

* The large Zemindarees are generally obtained by presents to the prince, or to his Duan, these presents are considerable sums of money, as far as two or three lacks of rupees.

often escape with impunity, by making presents to those above them; and thereby purchasing indemnity for their crimes: but when these little tyrants have stript the miserable occupier of the very means of subsistence, and thereby deficiencies arise in the revenue they are not able to make good; the prince then rushes in upon the guilty Zemindar, seizes his wealth, and sentences him to be lashed to death. No other check could possibly restrain the rapacity of the revenue officers, and others invested with power; but this, though it prevents the ruin of the state, is not calculated to relieve the renters, or occupiers, from the wretchedness and misery of their condition; because it is seldom exerted until the evil has been carried to its utmost height: yet this necessary and essential controul lord Clive entirely removed.

The Duan, his farmers and collectors, acquainted with the mildness of our laws, and the difficulty that often attends bringing offenders to justice, and now released from all dread of punishment from their prince, have, ever since the year 1766, plundered and distressed the country without mercy.

Thus much for the Zemindars; there are, besides, some other causes, that contribute to injure our revenues, on which I shall briefly remark.

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The produce of the earth in every different province, when sent out to another, becomes an article of trade; this produce disposed of in a partial manner, to whomsoever the chief of our factory in such province or district recommends, or permits through his influence to buy up, will certainly prevent it from fetching its proper value, and, of course, reduce the revenue. The duties on foreign and inland-trade, with the tolls and collections in and about great cities, and over rivers, form a considerable part of the revenue; the payment of which, in the present situation of affairs, can easily be evaded.

The European gentlemen, either in their own names, or in conjunction with their agents, and others under their protection, carry on a great part of the inland-trade all over the provinces, or at least may center it wherever they think proper. These gentlemen cannot, in the present situation of affairs, be under any controul from the Directors at home, nor from the Zemindars, or any officer of the state abroad.

The merchants also, who contract for goods at the Aurongs, or manufacturing villages, are chiefly Europeans, or their dependents, and will naturally act in whatever manner appears to them most for their own interest; and, consequently, will often

extend the privilege of the Company's Firmaund to unreasonable lengths: here also the revenue is greatly injured. The officers presiding at the Chokeys, or houses of custom, cannot possibly prevent these abuses; for, awed by our power, they dare not examine nor stop the property of those natives who pass under an European protection: hence these officers of the revenue, encouraged by the custom of the country, and the peculiar fashion of the times, only attend to enriching themselves, by oppressions on the weak and helpless, the only persons on whom they dare exercise their authority; and this they find they can effect with greater impunity, now the power of the Subahdar is abolished.

When we consider the great checks on industry from monopolies, and restraints of various kinds, by which the proper merchant of the country is so fettered and embarrassed, that he can no longer trade to any advantage; and that by these monopolies and restraints the necessaries of life become advanced in their price; and when we add to these the great scarcity of money, we must at once be convinced, that inevitable ruin will soon overtake the Company, if some speedy remedy be not applied to stop the growing evil; an evil the more alarming, as the Company, with their present

sent extensive connections cannot be undone, without the hazard of much injury to the nation.

Individuals, in all the different departments, find too great an advantage from such scenes of confusion as have past of late years, not to wish the continuance; but in such circumstances the greater the encrease is of servants, and the higher their emoluments, the greater will likewise be the anarchy, the luxury, and the dissipation which will spring up where men are under little or no controul; nor can any partial alterations or amendments made by the Company, either in their present state, or by any farther power Parliament can consistently delegate to them, answer the desired ends.

I call on any gentleman to produce a single instance of the least benefit that has accrued since the year 1762, from any one new regulation or measure the Company have attempted to establish; on the contrary, the state of the country has since that time continually been declining, in spite of every endeavour that has been made to raise it. I shall therefore throw together what appears to me the likeliest means to prevent those evils in future, which have hitherto been so fatal to the public interest.

Every possible and immediate power of punishment, not incompatible with the security of property, must be invested somewhere; and the person, or persons, so empowered, should be amenable here at home to answer for their conduct, not only with their fortunes, but their lives also, whenever they shall be found guilty of outrageous violence or oppression.

The full security of property, a free and open trade granted to all the natives, and that all the taxes and restraints deemed necessary, be laid with as equal and light a hand as possible, are the most essential regulations wanted. The inhabitants of Bengal, being once sensible of the effect such regulations would produce, and persuaded of their stability, a great encrease of wealth and population would soon follow; for numbers, from the distant provinces of the empire, would be tempted in a very few years to shelter themselves under our protection. I am aware, that it may be said, the natives are not capable of enjoying that degree of freedom our laws ensure to us; and that with them it would probably degenerate into licentiousness: to this I answer, that I see no necessity of changing their government entirely; all I think requisite, is, for them to live under such a controul, as the wisest and best of their
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own princes exerted over them; only, instead of its depending on the will or caprice of any individual, I would wish to see it secured by such fixed laws, as the wisdom of our legislative body shall determine. On no account must the ancient principles of the government be changed, it should only have such checks as may effectually prevent anarchy and oppression. One great step towards producing them will be to have the several departments of the state properly separated.

My plan is to establish two great powers, whose public interests shall be the same, but their private interests opposite; so that one will consequently take the alarm, whenever the other shall attempt to pursue its own private advantage at the expence of that of the public.

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GENERAL HEADS
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PLAN.

A VICEROY is to be established over all the new territorial acquisitions, with a general council consisting of fifteen or sixteen members to assist him: the Viceroy should be invested with every immediate power of punishment, and controul, that can be given with safety. I would farther propose, that the Company retain the several presidencies, with those subordinate factories, they now enjoy; and also the privilege of establishing any such new factories, as they shall find necessary for the benefit of trade; but that their jurisdiction be reduced within the same original boundaries round their forts and factories, as limited them at the time of the union of the two Companies, under the earl of Godolphin's mediation, at the beginning of this century; and that, to the extent of those several limits, they hold the same judicial

judicial authority that has been granted to them by their charter, or by any other subsequent acts of parliament. That the Company have every assistance and support also from the Viceroy, and the right of immediate appeal home, on the least obstruction to their trade by the servants of the crown, whether directly to their immediate injury; or indirectly, by oppressing the merchants of the country, or by giving too great encouragement to private European merchants, in consequence of presents, or other illicit connections with them, by which any part of the Company's commerce may receive detriment.

I would fix this supreme council somewhere in-land from Masulapatnam, near the banks of the Krishna—The political and civil affairs of every kind, the care of the revenues, the tranquility of the country, the encouraging of manufactories and tillage, and every thing that concerned the general interest of the country, should all be under the management and inspection of the Viceroy and his council.

The Viceroy should never leave this seat of residence, except on very extraordinary occasions; he should be invested with the whole executive power; but in settling new measures to be taken, and in regulations of every sort, or briefly in whatever was to be debated by the council, he should only

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have the casting voice: he should have the power of making all military appointments, (the commander in chief excepted) and should have such general authority over the army as to order its marches, to send it forth, or call it back again; but in all other respects the commander in chief of the forces should have the direction.

The army should be in three grand divisions, one on each coast, and one at Bengal. The Viceroy should keep up the correspondence with the Indian states, which, at times, he should lay before his council: he should appoint all envoys; and two or more members of the great council should reside at or near the head-quarters of the great divisions of the army; not to interfere in military regulations, but to act in all civil concerns of the army, to prevent it from running into excesses; and from plundering the natives; to watch over contractors, commissaries, and collectors; to issue orders for payments, to inspect accounts, but never to pay. Those members of the council sent to Bengal, into the Carnatic, and to the coast of Malabar, should be relieved every two or three years, and a constant rotation take place, thro' all the members, at every different place appointed for their residence. The distant members of the great council being thus shifted, it would
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become very difficult for them to perpetrate any thing essentially hurtful, either to the interest of the King, or Company.

The emoluments to the Viceroy and his council should arise entirely out of the revenues, nor should they have the privilege or power of trading or dealing in any shape whatever, but be subject on detection to severe penalties, besides dismissal; this would make the board always watchful over the absent members, and both the members of the board, and those absent in the provinces, would all be very attentive to discover any oppressions or extortions on the occupiers; any monopolies in trade, or any methods taken to evade duties, customs, or collections of any sort, because they would sensibly affect the revenues of the crown. This circumstance of receiving their salaries out of the revenues of the crown, would also induce them to give their attention and apply their endeavours to promote the freedom and equality of trade, as the likeliest means of encreasing the revenue; and at the same time, encreasing both their fortunes, and their reputations.

The Viceroy should not dispose of the revenue, but in conjunction with his council. Nor should he ever sit as a magistrate, in any judicial capacity whatever.

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He should have the power of calling persons to an account, and of immediate punishment, even to death; whenever generals, judges, or officers of great trust, were found, on a fair and open trial, (which he should bring them to) guilty of selling justice; or of any great oppressions, or crimes, in their departments.

It would be necessary to make the attainment of justice as speedy, and the detection of oppressors, as clear from obstruction as possible.

I would never have the supreme council sit on judicial affairs, except as an high court of appeals; or as a court of justice, for the trial of great criminals, by commission from the Viceroy: and whenever the council sat in a judicial capacity, the president for that purpose should be a person appointed from home, learned in the laws of these kingdoms, and also in the civil law.

The Nabobs, Rajahs, and Fousdars, should preside over large provinces and extensive districts, with the same executive and collective powers they enjoy at present; but they should exercise no judicial power whatever, and the extent of their executive power should be carefully marked out, so as to prevent any improper exertions of that power. I would have judicial Zemindars continued to preside over every village and its district;

district; but they should have no authority in any other capacity. The farming and collecting of the revenues should be intrusted to men not invested with any judicial power whatever; these inferior Zemindars should be accountable to Cutcherees, or courts of larger districts; whose Zemindars should only have higher judicial authority; and one great court should be established in every province, or district of large extent, with European judges appointed to preside over the whole, who must conform to the Indian modes of distributing justice as near as possible. These European Zemindars or judges should be also appointed from home; but all the Zemindars from amongst the natives should be made by the Viceroy. The supreme courts should be visited at times by members of the board; and the European judges should, at stated times, be shifted to preside over distant courts; in the same manner as is proposed for the removal of the members of the great council.

The salaries of the Zemindars should be fixed and settled. Those of the European judges should be very considerable; and every method should be taken to make them independent, watchful, and impartial.

I would have fines levied on the inferior Zemindars, whenever the produce of the lands in their districts fell off, or the occupiers were negligent; this would create an emulation amongst them, each endeavouring that his district should be in the most flourishing condition; and on a proper representation of their merit, which the state of the country would always determine, rewards should be appointed for them; and every possible encouragement shewn, by removing them to higher courts.

The lands should be let in large lots, not on lease to Zemindars, or farmers, but to immediate occupiers for life, or for a term of years; the government's shares should be fixed, and settled, in the most public manner. This would make the occupiers advantage depend on his industry and the flourishing state of his lands; and by these steps, he would have the prospect of a full reward for his labour. I do believe, one of the most essential points is to secure the occupier of the land the speediest means of redress, whenever the collector attempted to extort on him; therefore the judicial power must be made as free and as independent as possible, and must be blended with no other power; for joining the judicial and collective in the same person, has
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at all times been productive of much tyranny and oppression.

The Viceroy's constant residence being fixed in-land from Masulapatnam, he would have an immediate command over the army, laying in and about the Carnatic; and if the passes over the mountains forming the western boundaries of it, were garrisoned by our troops, the Carnatic could then only be entered through the plains of Trechinopoly; or from the Decan: the Viceroy would reside upon the northern boundary of it, on the south-east confines of the Suba's dominions, in a situation from whence he might easily enter the Decan, and seize on Bengulure; a strong fortress, situated in a large plain, which, as I have been informed, can easily be overflowed for some distance round about it. It is placed very near the southern boundary of the Decan, and on the confines of the Mysore country; this fortress has generally belonged to the Morattahs, but is now in the possession of Hyder: it would be very useful to us on many accounts, not only as a check upon both Madah-Row and Hyder, but also for the command it would give us in the Peninsula, and the intercourse we should secure by it with the coast of Malabar, on which side one great division of the army ought to lay,
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and their head-quarters should be fixed somewhere near Surat.

Through the northern Circars and Orixá, the viceroy would have an easy communication with Bengal, where another great division of the army would lay: the head-quarters of this division should be fixed in the heart of our possessions there, or near the northern confines; and as far always as they conveniently might be from any of the Company's settlements. Near these head-quarters, the members of the great council should fix their residence. Their business should be to have a very watchful eye over every transaction worthy note, within their respective limits.

These, or some such measures would, I firmly believe, draw down, in a few years, great wealth from the distant provinces; the natives, invited by the security of property, would be happy to settle under our protection.

I now proceed to that part of my plan which respects the Company. They should retain power sufficient to secure them from every oppression, and every impediment with which the servants of the crown might attempt to distress them; therefore the commercial part of the system must be secured to the Company, subject to no controul, except what shall be found necessary,
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either on appeals from the decisions of the Company's courts, lodged by the natives living without their limits; or by the Company's servants, on disputes with the natives, or Europeans, not residing within their jurisdiction; and no other appeal should lay from their own tribunals, but home to the King and council, in all affairs of property within their own limits.

I would have a right of immediate appeal home to lay with the governor and council of each presidency, whenever the Company's affairs received the least impediment or obstruction in any thing relative to their trade, in any parts of the country without their particular limits.

The Company being fixed to their original plan, and their possessions and right of jurisdiction confined to the original bounds, they would have the same expence abroad, the same force to keep up, and the same revenue to support them, as they had before their views extended, in the least degree, to any thing beyond their trade.

They would carry on their commerce greatly increased, and they would transact their business with the natives freed from those difficulties the princes of the country have often laid in their way, and under the immediate protection and assistance of their own sovereign.

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○ All the government remittances from India should pass through the hands of the Company, and be paid into the treasuries of their respective settlements, seven or eight months before the goods are brought from the manufactories to the magazines of those different settlements. This would enable the Company to contract for their goods on the best terms, by advancing the money before-hand at the Aurongs.

○ The remittances to government by passing through the Company thus, would be a considerable check upon the servants of the crown against any mismanagement of the revenue; for any deficiency there would so sensibly affect the interest of the Company, that it could not long be hid from their servants; and as such steps would hurt their private interest also, and draw down ruin on the Company, they would be very careful to lay open the true cause as soon as possible; and as government must equally suffer, punishment would be sure to overtake the delinquent.

○ I would have all the cloathing for the troops, all the arms and ammunition, all the stores of various kinds for the navy, delivered by the Company's agent to the Viceroy's order, to be paid for by him at a price settled at home; so that the articles for the crown

crown would be purchased and carried out by the Company, and they would be repaid abroad. The ships for the Squadron in India should be built there by the Company's agents, the King's great council contracting for them as the Viceroy shall see necessary. These would be the likeliest steps to save the Company's servants from oppressions; and the King's council would by their controuling power prevent the servants of the Company from monopolizing or otherways affecting the trade of the natives in any improper manner; at the same time, the whole and sole right of trade being fixed to the Company as at present, their servants would be at liberty to pursue their employer's interest and their own, by increasing and extending the commerce throughout India.

Such measures would soon lead to colonization, which would be very useful on many accounts. I will be bold to assert, if the present revenues were kept in a proper flourishing state, the King might have a very ample reward for his great executive servants, not less than three hundred thousand pounds a year to divide amongst them, which the state could very well afford. I am sure the best incentive to industry, the securest means of promoting justice and integrity, is to be careful that the rewards of long services and great trusts do not depend

on any uncertain accidents. I would therefore have their emoluments rise and fall with the public concern alone.

To carry so great a work into execution, will require men of considerable abilities; for much will depend on the first Viceroy and his council. Wise men soonest discover their own interest, and by thus blending it with that of the public, the servants of the crown would be prevented from neglecting their duty.

We want nothing farther at Bengal than what already belongs to us ; for Orixá, the only part we are not actually possessed of, though it is our undoubted right, and a very small force would restore it to us, is still in the hands of the Morattahs.

On the west side of the peninsula, we have scarcely any footing. I have, in another place, endeavoured to shew, that a considerable territory might be obtained on that coast at a small expence, and more easily preserved than our possessions in Bengal.

I have there also shewn the general state of the Conkon, or Low Country, which is better defended inland than any of the possessions we have at present ; and also the just claim we have to the lands about Surat. The Bednure and Sounda provinces do not yield less than thirteen or fourteen hundred

thousand pounds a-year revenue, a considerable part of which the Rajahs would gladly yield up to us, to be restored to their dominions, and relieved from all future dread of their oppressive tyrant Hyder : they would, besides, put us in possession of Mangalore and Carwar ; and in such case, the whole produce of the country could only be exported by us, or by our permission.

The southern provinces would receive great benefit from a master who should by due encouragement teach them industry, and only secure to them half the price for the produce of their lands they are capable of yielding ; for at present, the produce passing successively through the hands of two or three purchasers, before the real exporters can get them, the great advantage their trade affords centers with contractors.

The revenues along the Malabar coast inland only, up to the Gorts, more than equal the revenues we possess in Bengal.

The Shaw, or King, who ought to fill the throne at Delhi, is, from the distracted state of the empire, greatly diminished in his authority, and reduced in his revenues, and thinks himself happy to live under our protection : he wishes to remain free from dependence on his subjects, and would willingly invest us with any grants we desired, to secure to himself, in return, the protection

we afford him, and the tributes he is too weak to obtain; and though his authority is much slighted through the empire, yet that authority, accompanying such force as we can command, would give a sanction to our arms, which would contribute to quiet those minds conquest compelled to submit to us.

These acquisitions would not only encrease the crown revenue, but also give the Company the command of all the cotton and cotton manufactures on the northern part of the Malabar coast, up as high as Amadabad, and of the whole produce of pepper and cardomoms to the southward.

I shall now proceed to view the state of the revenues when Lord Clive first took possession of the country we now hold, and the state also, that our commerce stands in at this present time; that the situation of affairs, both at home and abroad, may be thoroughly understood, in case government chuses to interfere. The country is far from being cultivated to the height that it will bear; and many parts of the provinces, now over-run with woods and uninhabited, would admit of clearing and cultivating to advantage; hence great improvements would arise under a mild and wise government. In the present state of the Subahship of Bengal (if we suppose the country not only free from war,

war, but also from all those devastations, factions, cabals, and the want of subordination occasion) the revenue will leave a clear annual gain in the treasury, after all the expences of government are discharged, of one million five hundred thousand pounds. I have fixed it at the standard we found established when we first took possession of the revenues; for the present deficiencies arise from temporary causes, not from any incapacity in the country; therefore, when once the state was settled, the crown revenues would return to their former amount, if not exceed it: and was a wise system of government pursued, was property secured, and all those blood-suckers, the support of a tyrant's power, removed, the landholder would receive the full reward of his labour, and our King, without taking a rupee from the above sum, be able to secure very great salaries for his servants, which would encrease in proportion with the revenue.

On the Coromandel coast, the revenues from the Circars yield upwards of * three hundred thousand pounds; and our own possessions in the Carnatic bring in about three hundred thousand pounds a-year more;

* They are capable of great improvement; but now let for about three hundred and sixty thousand pounds a-year.

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but as the prince of that country depends entirely on our protection, instead of setting off different expences to his account, it would be more for our interest and advantage to have a large extent of the country under our own management.

When we consider how often of late years the Carnatic has been the seat of war and desolation, the heavy expences Mahommed Ally has all along been at, the high interest he has paid for money, and the vast arrears he has discharged to the Company at different times; these circumstances must convince us, the resources that country enjoys within itself exceed those of all others we have any knowledge of:—its fertility, its manufactures, and its situation for defence, all concur to make it worthy the attention of the legislator.

The revenues of the Coast and of Bengal, as they stand at present, leave a surplus, after all annual expences are discharged, of near two millions, in the respective treasuries. This sum, therefore, will remain; to answer any increase in the military expences, to remit to Europe in goods, or for whatever exigences the country may require; but must, on no account, be sent abroad in specie.

It might be sent in bills to the other side of India, but no other way; so that the
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Malabar coast must provide for itself, which it is very capable of doing.

A bank, fixed upon the faith of public credit, would be of great advantage to the country, and the speediest means of removing those general inconveniencies and distresses to commerce and the state, occasioned by the want of specie. A sum not less than one million and a half sterling, in the real currency of that country, has been sent out of it, without the least prospect of its ever returning again : this is exclusive of the sum Cossim carried off, which equally promoted the distress ; for being conveyed by him into distant parts of the empire, parts that have no intercourse of trade with our possessions, contributed as much as the money sent to China, to stagnate the circulation of specie through the provinces of Bengal and those of the Coast. Great part of what is sent in tribute to the King tends to encrease the scarcity of specie, as much of it is never returned.

Surely those who have the conduct of Indian affairs, are not sensible of the bad effect arising from this scarcity of money, or they would not go on suffering it to be sent out, though in ever so small a degree. In short, it is the primary cause of much of the present distress in that country ; it does inconceivable injury to every branch of
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the commerce, and, joined to other mistakes and irregularities, helps to occasion the deficiency of the revenue. Not only a stop should be put to the exporting silver or gold out of the country, but every measure taken to encourage foreigners to bring silver into it, and to induce the natives, by security and encouragement, to bring forth all that lies hoarded up. It is impossible to carry on trade without a substitute equivalent to the goods; for no man will part with his labour, or the produce of his land, without receiving some sign, in return, equal to its value: and, as in arbitrary states no paper credit can be established on the faith of government, therefore money is the only sign by which the trader and manufacturer can be rewarded; and of course, the more the trade and manufactures of the country encrease, the greater will be the demand for the signs by which it is carried on; from whence it is evident, that diminishing the quantity of specie, either by hiding it or sending it to other countries, will impede the circulation of trade, making it at times stand still; and though, at first, it will only lessen the goodness of the manufactures, yet, as the evil increases, which it will do if not timely prevented, the supply of the necessaries of life will fall off, and thereby be more enhanced. This will lead to depopulation, and depopulation

lation will, as certainly, occasion the decrease of manufactures, and of the revenue ; and thus, by a constant decline, we shall very soon find ourselves seated at a great annual expence in Bengal, deprived of the means of supporting it : whereas, it is from the encrease of the different manufactures, and the reduction of their prices, the advantages to this kingdom must principally be derived.

I foresee no expence for government to apprehend beyond what the Company are now at, the Squadron excepted.

I reckon seven or eight ships of the line, with some frigates, ought always to be kept up, and in a condition for sea, in the same manner that his majesty's ships are kept in the harbours here at home ; for when we were engaged with no European powers, one or two of the line, with three or four frigates, would be sufficient to keep in commission.

A Squadron must at first be sent out ; but in a very few years the ships might be constructed and supplied in India : for those of a sufficient burthen can be built at Bombay, Surat, and other places on that coast. To this end, a few principal builders will be required from home ; but all the different artificers are to be found amongst the natives : near the coast, there is great
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plenty of ship-timber; and all the other articles required in the building and fitting a ship of war might be supplied from England.

All the naval expence might be easily supported from revenues on the Malabar coast, if we chose it. A very material point to be considered is the supply of troops and seamen: this has hitherto been attended with difficulty to the Company and inconvenience to the nation, being a drain these kingdoms cannot well afford, especially in time of war: there is likewise great danger in depending on supplies of men from such a distance as Europe.

All the officers for the land and sea services must be sent from hence; and, at first, many both of sailors and of soldiers. Swiss and Germans might be enlisted amongst our own troops; and if the sailors and soldiers were encouraged to marry, and proper methods were taken to promote colonization, they would become the means of supplies in future.

The Portuguese preserved their consequence and power for a length of time, by colonization; and the remains of them are spread over India: they are mixed with the natives in many places, and are now a considerable part of the inhabitants of every European settlement.

Malays,

Malays, procured young, might be trained into either service : they are a stout race of people, and do not want for spirit ; by their means the Dutch have effected all their conquests, and they employ them, to this, day, in both land and sea service. I have no doubt but a sufficient number of men might be found, without the necessity of distressing Great Britain by continual drains.

Such a force as I have here proposed, would not only secure us from all invasions the natives might attempt, it would also enable the government to act against any European powers who should attack us ; and whilst other nations were warring against us in India, at an heavy expence to their mother-country, we should be defending ourselves against them, at the expence of foreign nations. The government may, on some such plan as here laid down, without the hazard of much charge to the nation, take the management of the territorial acquisitions to itself ; the commerce still remaining under the Company's direction, secured to them by parliament in the fullest manner, and free from any danger of restraint from the servants of the crown.

It appears to me impossible for the Company, either with their present power, or what can be further given to them, consistent with this constitution, to keep up

that subordination necessary to preserve them. Besides, the Company will receive much more advantage from the trade alone, than they do at this time from the revenue and the trade together; and I am firmly of opinion, the nation will receive more real benefit than there is any idea of at present.

The government, holding the revenues, will have to pay for all the civil and military charges, the expence of building ships of war, and all the different stores brought from Europe; and the Company carrying out all the articles for the navy, and all the cloathing and ammunition for the army, will be repaid in India by the crown, at a price equivalent to the risk and expence: in short, every expence on the side of government for whatever was sent from England, being paid for in like manner to the Company, whatever the crown received from India would, in this case, be a clear gain; and the additional articles sent from this country will so far as their value extends, become of equal advantage to it, with the exports to America, or elsewhere.

The money government had to spare from their various expences abroad, being lent to the Company on bills of exchange (payable in England, on the sale of the cargoes) and by them invested in the manufactures and growths of the countries wherein it was collected,

lected, and the money that government paid them for the different stores brought from England being also invested in the same manner, none of the specie could be carried out of the country, but would circulate again among the natives, to greater advantage than ever it did from the treasuries of their Subahs. The Company will trade upon this principle with such superior advantage, as will enable them to under-sell all other nations; for in this case, a considerable part of the cargoes would not be paid for by the Company until they were sold in England, and they would also receive a proper allowance on their risk and expence for the stores carried out, for the use of the government.

The Company's returning cargoes from Bengal amount to near ninety lacks, or about one million sterling or upwards; those from Madrafs, before the last Carnatic war, amounted to two hundred thousand pounds; this is the most beneficial branch of all, a great part consisting of goods that are afterwards manufactured in England.

The investments from the Malabar coast consist of coarse piece-goods, cardamoms, pepper, and some few other articles; every other year a cargoe of coffee comes home from Mocha; of late years, all these together have seldom exceeded two hundred thousand

thousand pounds; this makes the investments from the bay and the two coasts amount altogether to one million four hundred thousand pounds, or thereabouts.

If the plan I have laid down for the Malabar coast is ever carried into execution, the annual investments from that side would equal five hundred thousand pounds; and if the Carnatic remains at rest, the investments from thence will soon amount to three hundred thousand pounds. This would make the whole from the three settlements one million eight hundred thousand pounds; and is an encrease on the present annual amount of four hundred thousand pounds. The Company's annual exports to India from hence, cost them about three hundred thousand pounds, and generally produce there three hundred and eighty thousand pounds.

Let the additional articles to be carried yearly for the crown be set at three hundred thousand pounds, these paid for on their arrival in India at thirty *per cent.* upon their cost would produce the Company an annual sum in India of about seven hundred and sixty thousand pounds, which would be ready for the purchase of the home investments. The present investments amount to about one million four hundred thousand pounds, there then remains for the government

ment to lend the Company not less than seven hundred thousand pounds; and with the proposed encrease, which may easily be obtained, the government's annual remittance from the three settlements would amount to one million one hundred thousand pounds. On the above seven hundred and sixty thousand pounds produced from goods and stores, one hundred and fifty thousand pounds is profit, so that the Company would only risk about five hundred and seventy thousand pounds from home every year, for the returns of one million eight hundred thousand pounds, at the first cost abroad.—Let us suppose the Company, after paying the freight and other charges of the ships, the duties, ware-house-room, &c. to receive only a neat profit of twenty-five *per cent.* which would be much below what other nations could afford to sell at; this, joined to the one hundred and fifty thousand pounds gained outwards, would produce the Company a profit of six hundred thousand pounds yearly, on a risk of only five hundred and seventy thousand pounds of their own capital.

The investments brought annually from China amount on an average, when raw silk is procureable, to upwards of six hundred thousand pounds prime cost—we will take them at six hundred thousand pounds.

The investment sent annually to China in cloth and lead doth not amount to two hundred thousand pounds, the Company lose on the first article, but gain on the other. The goods sent to China from different parts of India, together with the sums belonging to private gentlemen paid into the Company's treasury there, may be set, one year with another, at about one hundred and seventy thousand pounds; so that a supply of about two hundred and forty thousand pounds in silver must be sent from home (if no other method can be found) to complete the annual China investment. On the above three hundred and seventy thousand pounds, I suppose about one hundred and twenty thousand pounds may be set off to profits on the goods carried to China, and the remittances of private property through the treasury of that factory: this brings the cost of the goods carried to China to about two hundred and fifty thousand pounds; therefore, the China trade will demand from Europe yearly four hundred thousand pounds or upwards, in goods and money: I imagine great part of the silver, if not all, might hereafter be supplied by a channel that would considerably encrease the government remittances.—The China cargoes have fallen considerably of late years in their value, but

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at this time they produce about fifty *per cent.* profit, after paying the freight, commissions to supra-cargoes, duties, and all other expences. This profit arising from the sale of the China cargoes, joined to that gained on the goods carried to China, together with the profits on the Bencoolen pepper brought to Europe, makes this branch of the trade produce a yearly profit of about four hundred thousand pounds: hence on a risk every year to India and China of about nine hundred and seventy thousand pounds, a gain will be produced of near one million on the balance; for which not one third of the capital is hazarded.

The Company's capital amounts to three million two hundred thousand pounds; the dividend at ten *per cent.* is three hundred and twenty thousand pounds; and the interest on bonds and annuities, setting them at six millions at three *per cent.* amounts to one hundred and eighty thousand pounds; these together make the sum of five hundred thousand pounds to pay in interest*; and leave a yearly surplus of near five hundred thousand pounds more, for different ac-

* Government pays one hundred and sixty thousand pounds to the Company annually, for the interest on the loans advanced at their establishment.

cidents, to defray extraordinary expences, to reduce their debts, and then to farther enriching themselves.

These benefits to the nation in general, and the Company in particular, cannot fail, if some wise plan is properly followed. The Company will enjoy much more security, and advantage, from the commercial part alone, than they do from their present splendid situation.

The Malabar coast is in a wretched state, depending wholly on Bengal for support; Bencoolen is at this time rather a losing settlement; and St. Helena is a dead rent-charge of about eighteen thousand pounds a year.

If every expence of government was paid out of the revenues abroad, (the principle set out upon) no charge, so long as those revenues remained to the nation, could arise here at home. The remittances, joined to the present duties would bring into the king's treasury here in England a yearly income of near two millions and an half; and there would be an encrease in the exports from England, of near three hundred thousand pounds, and most of them articles manufactured in the kingdom; and this to support an army, and a naval force, which, without a shilling expence to the nation, would defend us
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against the attacks of any European powers whatever.

I have proposed, in this plan, an encrease of four hundred thousand pounds in the investment from India; this encrease is founded on speculation, and is of course subject to contradiction; for it is on this surmise, the remittances home to government amounting yearly to one million, depends. Suppose the crown took the revenues as they stand at present, the advantage to the Company would be the same as on the proposed plan; the difference would only be to the crown, in the means of remittance, and the security of the possessions; for government at the present amount of the investment will be able to remit home six hundred thousand pounds a year; and if the equipment of the fleet in India was laid aside, the three hundred thousand pounds allotted to be sent out for that purpose in stores, together with its premium, would be lent out of the revenues of the crown in India, to the agents of the Company, for bills of exchange payable at home, and thereby encrease the crown's remittance, on the present annual investment, to the amount of one million; the same as on the proposed plan.

The surplus revenue, after all the annual demands are paid at Bengal, is now one

million and an half. I hope it will be allowed, that the servants of the crown could act with equal spirit, vigilance, and oeconomy, with the servants of the Company.

There would be a fair prospect of supplying China with silver from Manilla. A ship comes there annually from New Spain, and brings chiefly silver, to purchase a cargo consisting of the manufactures of India; great part of them the piece-goods made at Bengal, and along the coast of Coromandel.

Private merchants residing at Madras have had concerns in this trade, with the Moors, and Armenians, who principally carry it on—and I have not a doubt, but a great part of the silver, for the China market, to the amount of one hundred and fifty thousand pounds, or two hundred thousand pounds, might be supplied in exchange for callicoes, and other goods, the produce of Madras and Bengal; and government be enabled thereby to encrease their remittances home by all that sum.

Besides the usual course in which this trade is carried on at present, many other channels of advantageous appearance offer themselves to our view, Arabia and Persia call for very large investments in the silk and cotton manufactories; in return for
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which, gold and silver, with some pearls, are brought back from the gulphs of Mocha, and Bassora. This branch of the commerce is also chiefly in the hands of the Armenians and Moors.

On the east side of the Bay of Bengal, only frequented by us for timber, many valuable improvements may be made: the Philippine islands, many of them are quite unfrequented and unknown to commerce. In short, such an influence, as this kingdom may acquire in India, would enable us to strike out many useful branches of commerce, not thought of at present; there is nothing industry can effect, that may not be obtained, under such advantages as these new regulations would produce. I may have erred in some small degree in the commercial calculations: my information has not been quite so full as I could have wished; yet sufficient to support my assertions, on a General Plan.

It is not the present intention to expatiate farther on this scheme, or to enter more minutely into it—but whenever some such plan shall be carried into execution, and the whole properly settled; the gains, I am clear, both to government and to the Company, will exceed rather than fall short of the profits in this general estimate allotted.—

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Amongst the arguments that have been used with intention to deter government from meddling with the conquests, the great expence which generally has arisen from the wars with the Indians, has been held out to view and largely expatiated on; but this great expence, and especially that of the last Carnatic war, was entirely owing to errors in judgment: we suffer for not having properly pursued our former successes, for coming too soon to terms with our enemies, and for permitting them to cajole and over-reach us in their negotiations, or rather for permitting them to negotiate at all.

I have proceeded thus far in my Plan, without the vanity of supposing it faultless: I do not think myself equal to the task of perfecting any plan, I only mean to induce some more able head to attend to this important business, wishing that such measures may be adopted and pursued as shall end all our dissensions, and establish that tranquillity so essential to the public good, and the prosperity of our affairs in that distant part of the world.

F I N I S.